STATE OF MAINE PUBLIC UTILITIES COMMISSION

Docket No. 2002-70

April 9, 2002

CONSUMERS MAINE WATER COMPANY
- GREENVILLE, Proposed Rate Change
(\$41,847 Increase in Revenue)

ORDER APPROVING STIPULATION

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

In this Order, we approve a Stipulation between the Public Advocate (OPA) and Consumers Maine Water Company's Greenville Division (Consumers) allowing an 11.54% rate increase.

II. BACKGROUND AND DECISION

On February 7, 2002, Consumers filed a proposed 11.85% rate increase for its Greenville Division. The primary reasons for the increase are system improvements and increased operating costs since rates last increased in 1994.

On March 19, 2002, a prehearing and a technical conference was held. The Public Advocate's petition to intervene was granted. Following a period of written discovery, a second phone conference was held on March 28, 2002.

On April 1, 2002, the Public Advocate and Consumers filed a stipulation to resolve all issues in this rate proceeding. Under the Stipulation, the Greenville Division's revenue requirement will increase \$40,847 or 11.54%. The stipulated revenue increase reflects a reduction of \$1,000 in normalized rate case expense from the \$2,537 annual amount requested in the filing to \$1,537. The parties agree that the rate increase will be allocated pro rata evenly across all metered and fire protection classes.

In approving a stipulation, we consider whether the parties joining the stipulation represent a sufficiently broad spectrum of interests, whether the process leading to the stipulation was fair and whether the stipulated result is reasonable and not contrary to legislative mandate. See e.g., Consumers Maine Water Company, Proposed General Rate Increase of Rockland and Hartland Divisions, Docket No. 96-739 (July 3, 1997) at 2. The Public Advocate represents the using and consuming public, in this case the customers of both Divisions. The process of discovery and two technical conferences allowed an opportunity for all interested persons to gather information about the reasons for the increase.

We believe that the process was fair; all interested parties had an opportunity to participate. We find that the proposed Stipulation resolves this case consistent with the law and the public interest. We will therefore allow the rate schedules filed with the Stipulation to go into effect as of the date of this Order.

Accordingly, we

ORDER

- 1. That the Stipulation (attached to this Order) filed in Docket No. 2002-70 on April 1, 2002 is approved.
- 2. That Greenville Division Rate Schedules Pages 1,2,3,4 (fourth revisions) filed on April 1, 2002 are approved.

Dated at Augusta, Maine, this 9th day of April, 2002.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within 21 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
- 3. <u>Additional court review</u> of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.